



REQUEST FOR PROPOSALS #2012-0266
TO LEASE SPACE FOR INSTALLING AND OPERATING
FULL SERVICE AUTOMATIC TELLER MACHINES (ATMs)
IN SELECTED LANSING-AREA STATE OFFICE BUILDINGS

ISSUED BY
THE MICHIGAN DEPARTMENT OF TECHNOLOGY, MANAGEMENT AND BUDGET
REAL ESTATE DIVISION

PROPOSALS ARE DUE BY 5:00 P.M. (EST) ON FRIDAY, SEPTEMBER 20, 2013

I. Introduction

The State of Michigan, by its Department of Technology, Management and Budget (DTMB), Real Estate Division (RED) seeks proposals for leasing space for installing and operating full service Automatic Teller Machines (ATMs) in selected State of Michigan office buildings located in the Lansing, Michigan area, for a five-year term with up to two possible five year renewal options available by subsequent mutual agreement and an "either party" ninety day (90) day cancellation option. A qualified financial institution submitting a winning proposal which is ultimately selected by the State of Michigan would enjoy exclusive rights to provide ATM banking services in the subject buildings under the terms of the Lease for its duration.

Details on the ATM sites available for Lease and Sub-lease and the given terms of the Lease and Sub-Lease are included in this Request for Proposals (RFP) and its attachments. Please review this RFP package thoroughly. Potential Lessees that meet the qualifications for submitting a proposal and providing ATM banking services are strongly encouraged to respond using the proposal submission forms provided. Proposals must be based on the sample documents and requirements as detailed herein. Instructions for how to properly submit proposals and detailed information on this RFP are also included herein.

The State reserves the right to waive any irregularities or defects in any submission; to request clarifications or additional information regarding proposals; to conduct a Best and Final Offer (BAFO) run-off competition between leading proposers; and to reject any and all proposals at the State's sole discretion. The submission of this RFP does not constitute an agreement to lease with the State. The State shall assume no liability whatsoever for any expense incurred by a Proposer in replying to this RFP, or any development risk of a successful proposer. Award of a lease shall be to the bidder whose proposal is in the overall best interest of the State of Michigan and shall be subject to approval by the State Administrative Board.

If a winning proposal ultimately selected by the State comes from a Federal Credit Union and that Credit Union then requests a letter from the State of Michigan formally requesting that the National Credit Union Association (NCUA) recognize State of Michigan employees as a "select employee group" (SEG) which is eligible for membership in said federal credit union for the duration of the Lease, including any extension thereof, the State of Michigan, through its Office of the State Employer (OSE), shall seriously consider such a request and make every reasonable effort to draft and offer a suitable letter, but the actual content of such a letter and all representations made therein shall ultimately be determined exclusively and finally by DTMB. Any similar documentary requests from any other kind of qualified financial institution that is the winning bidder shall be addressed similarly.

Bidders are cautioned that communications with DTMB staff concerning this RFP or responses thereto during the RFP process, other than those specifically called for herein, are strongly discouraged and may result in a proposal's rejection.

Bidders are also cautioned that DTMB will not accept proposals contingent upon receiving tax credits, loan guarantees, rent rebates or other Lease cost subsidies.

Note that for purposes of this solicitation, and of all submitted responses thereto, the State uses the terms “proposal” and “bid” interchangeably and with the same meaning. Similarly, the words “proposer” and “bidder” are also used interchangeably and with the same meaning.

II. ATM Sites Available For Lease

No.	Office Building Name	Address	Site
1.	Grand Tower	235 S. Grand Ave., Lansing	1 st floor lobby
2.	Lewis Cass	320 S. Walnut St., Lansing	1 st floor stairwell
3.	George W. Romney	111 S. Capitol Ave., Lansing	ground floor.
4.	Van Wagoner	425 W. Ottawa St., Lansing	1 st floor lobby
5.	Richard Austin	430 W. Allegan St., Lansing	1 st floor. lobby
6.	Stevens T. Mason	530 W. Allegan St., Lansing	basement
7.	Ottawa Bldg.	611 W. Ottawa St., Lansing	U. L. parking
8.	Operations Center	7285 Parsons Dr., Windsor Twp.	dining room
9.	Constitution Hall	525 W. Allegan St., Lansing	atrium (by east stairs)
10.	Hall of Justice	925 W. Ottawa St., Lansing	1st floor café area
11.	Michigan Library and Historical Center	702 W. Kalamazoo St., Lansing	1st floor common area near south entrance
12.	General Office Bldg.	7150 Harris Dr., Windsor Twp.	1st floor dining area
13.	Michigan State Police Headquarters	333 S. Grand Ave., Lansing	1st floor lobby
14.	Capitol Commons	400 S. Pine St., Lansing	ground floor

Most of the above ATM sites are located in secure parts of their respective buildings, which means one must have a State-issued I.D. card that is programed to grant access to that building’s internal security gates or be specially admitted under escort by building security or management staff. All ATM sites above are owned by the State of Michigan except for Capitol Commons which is leased by the State and would therefore require a separate sublease to accommodate a new ATM there. All ATM sites above are further identified and illustrated in Attachment A to this RFP. Recent estimated occupancy data for each ATM site building is given in Attachment B to this RFP. This data was generated by the State and is provided for all purposes of this RFP in good faith. It is presumed to be reasonably reliable, however no warrantee on its actual accuracy is here given.

It is preferred and expected that the State will enter in an agreement with a single qualified financial institution to exclusively provide ATM services in all the above sites at once with the important caveat that buildings 6, 9 and 10 may be fully or partially vacated by the State at some point during the ATM lease term in order to accommodate still-developing space consolidation plans or remodeling work. Remodeling would be extensive and, if implemented, could take up to two years to complete. Of course, the Lessee would not be able to maintain an ATM under such conditions and the list of leased ATM sites, would be amended accordingly with the rent amended on a pro-rata basis with all ATM sites deemed equal in value. However, in the event of such building closure, alternative ATM space may be offered by the State to the Lessee. Every reasonable effort would be made to offer alternative ATM site(s) in close proximity to wherever State employees have been temporarily relocated from their original sites, though Lessee would be under no obligation to accept those alternative ATM sites. From time to time, the State may also offer the Lessee the chance to operate additional ATMs in other State-owned or Leased locations not included here subject to applicable State Lease and Sub-Lease approval terms which Lessee may accept on a case-by-case basis. Otherwise, the list of leased ATM sites is not expected to change for the duration of the ATM sites Lease.

III. Minimum ATM Service Parameters and Standards

III.1 Minimum ATM Performance Criteria: ATMs allowed under a Lease awarded to a winning bidder must meet the following performance criteria:

- A. Must be full service ATMs which are able to dispense U.S. currency, accept cash and check deposits, facilitate transfers of funds between same financial institution accounts of the same customer and provide a written receipt for each transaction on customer's request
- B. Must be properly serviced, repaired, operated and stocked with cash and operating supplies in accordance with commonly accepted ATM operator best practices and as needed to routinely accommodate ATM customers.
- C. Must operate continuously 24/7 and in good working order throughout the term of the agreement, except as needed for usual and customary restocking and servicing.
- D. Must comply with all security policies and procedure of the State of Michigan. Similarly all personnel and vehicles servicing ATMs covered by the ATM Agreement must comply with security policies and procedure of the State of Michigan, including submission to background checks as applicable.
- E. Must be compatible with the existing electrical, data transmission and loading capabilities of the actual ATM sites offered, though modifications to any given sites as need to ensure compliance may be possible at the Lessee's sole expense.

IV. Forms and Supporting Documents

IV.1 - Lease of State-Owned Space Proposal Form: To be considered, your proposal shall be made on the accompanying "Lease of State-Owned Space Proposal" form as designed by the State for specific use in responding to RFP# 2012-0266, plus any required attachments thereto. All blank spaces on those forms are to be filled in. Incomplete or illegible proposals may be rejected. Signatures required on the form must be in longhand, and no part of the form shall be altered (except to document alternate terms proposed, if any, in the manner provided on the form).

IV.2 - Form of Lease: A partially-completed draft Lease and a partially completed draft sublease designed to help govern this specific leasing and sub-leasing opportunity are enclosed as Attachments D and E respectively. Incomplete portions include rent rates and details about the successful bidder as Lessee. Exceptions or alterations proposed by a prospective Lessee to given terms in the State's form of Lease will be considered but may detract from the competitiveness of your proposal. In any case, the State of Michigan reserves the right to make further modifications to the leasing document to accurately reflect final business terms agreed to by the parties.

V. Required Approvals, Legal Documentation and Disclosures

V.1 - Required Approvals For State Leases: No Lease shall be binding or effective on either party until it is approved and executed by the Department of Technology, Management and Budget (DTMB) and the date of execution by DTMB shall be the effective date of the Lease. At any time prior to execution by the DTMB, the State reserves the right to reject the proposal and terminate the Lease approval process. DTMB will not sign a lease until all of the following have happened: 1. approval as to legal form by the Department of Attorney General; 2. Approval and execution of the Lease by the prospective Lessee; 3. implementation approval by the State Administrative Board.

V.2 - Required Documentation From Bidders: A complete and proper proposal will, at a minimum, contain the following documents:

- A. A completed "Lease of State-Owned Space Proposal" form as designed by the State for specific use in responding to RFP# 2012-0266, plus any required attachments thereto.
- B. Documentation as necessary to confirm a proposer's status as a "Qualified Financial Institution" which is defined for present purposes as a bank that has its deposits insured via the Federal Deposit Insurance Corporation (FDIC) or a credit union that has its shares insured via the National Credit Union Share Insurance Fund (NCUSIF) along with documentation confirming the authority of a prospective Lease signatory for that bank or credit union to bind that bank or credit union in a lease agreement.

V.3 - Disclosures: All materials submitted by proposers may be subject to public disclosure, once unsealed and after the proposal evaluation process, under the Michigan Freedom of Information Act (FOIA) (P.A. 442 of 1976, as amended.) However, no such disclosures will be made about where a given proposal “stands” in relation to others, at any time during the evaluation process. All proposal-related materials submitted by proposers become the property of the State of Michigan and cannot be returned.

VI. Selection Criteria and Submission

VI.1 - Selection Criteria: The selection of the recommended proposal is based on, but is not limited to, the following criteria:

- A. A clear and concise proposal, particularly in terms of dates, numbers, dollars, and any other information requested in this RFP.
- B. The best economic return for the State from the net rental income earned by the Lease and the degree to which a given proposal is deemed to provide consistently excellent ATM services and value to State of Michigan employees. Bidders are expected to submit their highest and best offer for rent and all other selection criteria in response to this RFP. However, it is the Department of Technology, Management and Budget’s intent to seek out the best and most responsive OVERALL proposal for the State and its employees across all selection criteria set forth in this RFP. Accordingly, a proposal may not be selected just because it offers the highest rent alone.
- C. Confirmed status of a bidder as a “Qualified Financial Institution” which is defined for present purposes as a bank that has its deposits insured via the Federal Deposit Insurance Corporation (FDIC) or a credit union that has its shares insured via the National Credit Union Share Insurance Fund (NCUSIF). Further, qualified banks and credit unions must also conduct lending practices that comply with all applicable Federal and State equal opportunity lending laws.
- D. Demonstrated ability to honor a commercial leasing agreement (especially a Lease for ATM sites in one or more governmental buildings) via positive references from past Lessors/Landlords.
- E. Any demonstrably discounted or otherwise special banking services of value that the Lessee wishes to offer to State of Michigan Employees as a group (and only as a group) for the duration of a lease for ATM space.
- F. Verified compatibility between proposed ATM specifications and ATM hosting capabilities of the ATM sites offered in this RFP (e.g. ATM weight, dimensions, electric power draw and data cabling needs.)
- G. Ability to accept a lease with the following parameters:
 - (1) A five year initial term with two three year renewal options.
 - (2) An either-party ninety day advance cancellation notice requirement (thirty days by Lessor for cause such as violating the terms of the Lease or failure to maintain status as a qualified financial institution).
 - (3) Lump sum monthly rent payments for all ATM sites which are due and payable by the first day of each month.
 - (4) Requirements that Lessee indemnify the State against Lessee liability and carry a modest third party liability insurance policy just as in any other State Lease.
 - (5) A requirement that ATM service must be provided continuously for the term of the Lease at all locations specified in the Lease. No individual ATM sites may be cancelled or shut down during the Lease term except as may be needed to accommodate the State’s space consolidation or remodeling needs as discussed in Section II above. Without State approval, all of Lessee’s ATMs allowed under the Lease must operate for the duration of the lease. Lessee’s failure to comply may be considered a breach of the Lease.
 - (7) A requirement that ATMs covered by the Lease not charge any ATM access or service fee that is greater than the lowest fees charged for the same access or service among the Lessee’s other ATM locations which are not covered by the ATM Agreement. In other words, it must not cost anyone more to use an ATM in a State office building than it would cost to use Lessee’s lowest fee ATM machine located anywhere else for the same transaction.
- H. The degree to which a prospective Lessee’s routine ATM fees are demonstrably competitive or waived altogether for ATM customers in State office buildings.

VI.2 - Site Tour: The Department of Technology, Management and Budget will host a part-walking and part-driving site tour of the ATM sites offered for lease on **Thursday, September 5, 2013 beginning promptly at 9:00 a.m. and ending approximately at Noon, Eastern Standard Time (EST)**. Participation on the tour by prospective bidders is not mandatory, but is highly recommended. Prospective bidders should report for the tour on time to the first floor lobby of the Stevens T. Mason Building located at 530 West Allegan Street in Lansing, Michigan. (Tour participant may find it convenient to park in the privately-owned pay parking lot located across Allegan Street from the Mason Building as shown on the downtown Lansing map included in the sample lease. Enter the Mason lobby via the mall side of the building.) Photography by tour participants will be permitted. Questions about the ATM sites offered and the surrounding premises will be answered on this tour to the best of the Department's ability. All other questions about this RFP and the selection process shall be answered as provided in Section IV.3 below. No existing ATM machine of a current Lessee may be moved or impeded in any way on the tour. No ATM customer of a current Lessee may be impeded or otherwise disturbed on the tour.

VI.3 - Questions and Answers: Questions concerning clarifications or standards contained in this RFP are to be submitted by e-mail only (please indicate proposal number SR 2012-0266 in the subject line) no later than **4:00 p.m. Eastern Standard Time on Monday, September, 9, 2013** to: DTMB-realestate@michigan.gov.

All questions and answers will be posted to the website at www.michigan.gov/DTMB-realestate no later than **Monday, September 16, 2013**. Prospective proposers should check the website for any updates, questions and answers. The State will not respond to telephone inquiries or visits by proposers or their representatives, or respond to questions after the due date.

VI.4 - Proposal Submission: A printed copy of each proposal, consisting of the completed "Lease of State-Owned Space Proposal Form" for RFP# 2012-0266 and any required attachments thereto, must be received by **5:00 p.m. Eastern Standard Time on Friday, September 27, 2013** in the DTMB/RED offices. Submitted proposals must be in a sealed envelope bearing the text "Response to RFP# 2012-0266" on the front cover and addressed as follows:

Attn: RFP 2012-0266 Project Manager
Real Estate Division
Michigan Dept. of Technology, Management and Budget
For U.S.P.S delivery:
P.O. Box 30026
Lansing, MI 48909
For private carrier delivery:
530 West Allegan Street
Lansing, MI 48933

An electronic version of the complete proposal in .PDF file format is also required to be submitted by e-mail to DTMB-realestate@michigan.gov by the same deadline as the printed copies. That electronic submission must indicate the following in the e-mail subject line: "Response to RFP# 2012-0266".

Printed and electronic copies of proposals must be received by the date and time stated herein or they will not be accepted. There will be no exceptions.

All proposals must be valid for at least one-hundred and twenty (120) days from the submission due date.

VI.5 – Proposal Acceptance and DTMB Authority: After all eligible proposals have been analyzed and a winning proposal is selected for recommendation to the State Administrative Board via a lease, DTMB will notify all proposers of that RFP outcome in writing. The DMB Act (1984 Public Act 431, as amended) specifies that the Department of Technology, Management and Budget is the only department authorized to enter into leasing agreements, subject to obtaining all necessary approvals. No individual, employee or agent of the State of Michigan has authority to bind the State without proper authorization. Further, bidders must receive a fully executed leasing agreement document, signed by an authorized representative of the Michigan Department of Technology, Management and Budget for it to be valid.

Thank you for your interest in doing business with the State of Michigan.

ATTACHMENTS TO RFP#2012-0266:

- A. FLOOR PLANS AND MAPS DETAILING AVAILABLE ATM SITES
- B. ESTIMATED OCCUPANCY DATA FOR ATM SITE BUILDINGS
- C. LEASE OF STATE-OWNED SPACE PROPOSAL FORM
- D. SAMPLE ATM SPACE LEASE
- E. SAMPLE ATM SPACE SUB-LEASE